

Internal Revenue Service

Department of the Treasury

Washington, DC 20224

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Third Party Communication: None

Date of Communication: Not Applicable

Person To Contact:

, ID No.

Telephone Number:

Refer Reply To:

CC:PSI:B3

PLR-136726-08

Date:

January 29, 2009

Legend

X =

A =

B

C =

State =

Date 1 =

Date 2 =

Dear :

This letter responds to a letter dated August 21, 2008, and subsequent correspondence, written on behalf of X, requesting a ruling under § 301.9100-3 of the Procedure and Administration Regulations.

Facts

The information submitted provides that X was organized on Date 1 as a State law limited partnership. X is owned by A and B; and X, A and B are members of C's affiliated group. X requests an extension of time to elect to be classified as a partnership effective Date 2.

Law and Analysis

Section 301.7701-3(a) provides, in part, that a business entity that is not classified as a corporation under § 301.7701-2(b)(1), (3), (4), (5), (6), (7), or (8) (an eligible entity) can elect its classification for federal tax purposes as provided in § 301.7701-3. An eligible entity with at least two members can elect to be classified as either an association (and thus a corporation under § 301.7701-2(b)(2)) or a partnership, and an eligible entity with a single owner can elect to be classified as an association or to be disregarded as an entity separate from its owner.

Section 301.7701-3(b)(1)(i) provides, in part, that except as provided in § 301.7701-3(b)(3), unless the entity elects otherwise, a domestic eligible entity is (A) a partnership if it has two or more members, or (B) disregarded as an entity separate from its owner if it has a single member.

Section 301.7701-3(c)(1)(i) provides, in part, that an eligible entity may elect to be classified other than as provided under § 301.7701-3(b), or to change its classification, by filing Form 8832, Entity Classification Election, with the service center designated on Form 8832.

Section 301.7701-3(c)(1)(iii) provides that an election made under § 301.7701-3(c)(i) will be effective on the date specified by the entity on Form 8832 or on the date filed if no such date is specified on the election form. The effective date specified on Form 8832 can not be more than 75 days prior to the date on which the election is filed and can not be more than 12 months after the date on which the election is filed. If an election specifies an effective date more than 75 days prior to the date on which the election is filed, it will be effective 75 days prior to the date it was filed.

Section 301.9100-1(c) provides that the Commissioner in exercising the Commissioner's discretion may grant a reasonable extension of time under the rules set forth in § 301.9100-2 and § 301.9100-3 to make a regulatory election, or a statutory election (but not more than 6 months except in the case of a taxpayer who is abroad), under all subtitles of the Internal Revenue Code, except subtitles E, G, H, and I.

Section 301.9100-2 provides the standards the Commissioner will use to determine whether to grant an automatic extension of time for making certain elections.

Section 301.9100-3 provides the guidelines for granting extensions of time for making elections that do not meet the requirements of § 301.9100-2. Section 301.9100-

3(a) provides that requests for relief subject to § 301.9100-3 will be granted when the taxpayer provides evidence (including affidavits described in § 301.9100-3(e)) to establish to the satisfaction of the Commissioner that the taxpayer acted reasonably and in good faith, and the grant of relief will not prejudice the interests of the Government.

Conclusion

Based solely on the facts submitted and the representations made, we conclude that X has satisfied the requirements of § 301.9100-1 and § 301.9100-3. As a result, we grant X an extension of sixty (60) days from the date of this letter to file a properly executed Form 8832 with the appropriate service center, to elect to be classified as a partnership, effective Date 2. A copy of this letter should be attached to the Form 8832.

Except as specifically set forth above, we express no opinion concerning the federal tax consequences of the above described facts under any other provision of the Internal Revenue Code.

We are directing this ruling only to the taxpayer who requested it. Section 6110(k)(3) provides that it may not be used or cited as precedent.

Pursuant to a power of attorney on file with this office, we are sending a copy of this letter to X's authorized representative.

Sincerely,

/s/

Curtis G. Wilson
Associate Chief Counsel
(Passthroughs & Special Industries)

Enclosures (2):

Copy of this letter

Copy for §6110 purposes

cc: